



State Senator

FEBRUARY 18, 2005

**VALDE GARCIA**

*Serving the 22<sup>nd</sup> District*

*Shiawassee-Livingston-southern Ingham counties*

## **COFFEE BREAK NEWS**

### **Senate announces plans to strengthen Michigan's rural economy**

Senate Republicans today continued their work to diversify Michigan's economy with a series of initiatives aimed at promoting economic growth in the state's rural areas. The proposal addresses three key areas vital to promoting rural economic growth:

- Helping rural residents through job-training and innovation;
- Developing a new rural economy and infrastructure; and
- Reducing the cost of doing business and protecting the environment.

Rural businesses have difficulty attracting and retaining qualified workers. Also, businesses wishing to expand in rural communities face challenges because those communities often lack needed infrastructure. In addition, many businesses in rural areas rely on agricultural tourism, processing and production. These businesses are often inhibited by burdensome governmental rules and regulations. The proposals put forth seek to help correct these problems. The plan was unveiled Monday at a press conference in Hart. Legislation will be introduced in the coming weeks.

### **Senate unveils high-tech initiatives to promote Michigan's new economy**

Senate Republicans have demonstrated they remain focused on improving Michigan's economy when they unveiled several new initiatives aimed at boosting the state's high-tech sector. Lawmakers have targeted three areas considered crucial to promoting high-tech industries in Michigan as a way to improve Michigan's economy:

- Attracting research commercialization;
- Increasing angel investing; and
- Promoting lifelong learning opportunities.

While Michigan has made major investments in life sciences over the past four years, the state is not truly reaping the economic benefits of that investment. A 2004 study ranked Michigan 37th in the nation in risk capital and infrastructure, just above states like Wyoming, Kansas, Iowa and Montana, whose economies rely heavily on natural resources.

### **Background checks bill passes Senate**

The Michigan Senate overwhelmingly passed legislation requiring criminal background checks for applicants seeking forensic polygraph examiner licenses. Under their new rules, the FBI would not have continued to supply the Michigan State Police with criminal history background checks unless Michigan law required it. Senate Bill 137 simply remedies this problem and requires applicants to supply their fingerprints for criminal history background checks to be obtained from the FBI.

### **Legislation to protect mobile-phone users' privacy**

Mobile-phone users would be able to choose whether their numbers are put into a nationwide directory under legislation introduced recently. The legislation, Senate Bill 127, would require that mobile-phone service providers receive written consent from their subscribers before listing them in a directory.

A nationwide directory is being talked about by the major mobile-phone service providers. People can access the directory by dialing 411. SB 127 is similar to a California law passed last fall.

**Senate approves Junior ROTC legislation**

The Michigan Senate unanimously approved legislation last week that would clarify the law so schools could count their Junior Reserve Officer Training Corps classes as instructional time. Senate Bill 77 would waive the requirement that JROTC instructors have to be state certified in order for classes they teach to count towards instructional time. JROTC instructors, all of whom served in the military, are qualified to teach based on military standards. For years, this type of instruction has been considered as instructional time. This practice was recently challenged, leaving the future of some programs in jeopardy. If passed, SB 77 would make it easier for schools to continue offering JROTC classes. The legislation now goes before the House for consideration.

**Capital investment bill introduced**

A new economic development bill to promote capital investment by some of Michigan's largest employers was introduced in the Michigan State Senate this week. The proposed legislation would continue a Single Business Tax exemption for companies such as Delphi and Visteon on goods sold to their former parent companies. This tax exemption has already led to capital investments in Michigan totaling \$1.8 billion. The SBT exemption was originally passed in 1999, the year Delphi separated from General Motors. Before the separation, sales between the companies were not taxed. Since the sales never were taxed, the previous exemption and the new legislation are revenue neutral for the state. Both companies are required to maintain 80 percent of their workforce and 100 percent of the capital investment in Michigan to qualify for the exemption. If they fail to keep 80 percent of their workforce in Michigan, they still can qualify for the exemption by doubling their capital investment. Both companies have invested more than the state's annual requirement with significant investments at their facilities across the state. Delphi has invested more than \$1 billion since 1999, while Visteon has invested approximately \$800 million since 2000.

**Push for robo-call accountability revived**

Automated campaign phone calls, or "robo-calls," would have to be accounted for on campaign finance reports under legislation introduced this week in the Senate. The legislation would require that any automated campaign calls that are an independent expenditure placed by an outside third party must be reported on the campaign finance reports. Supporters of the legislation say that because many of these calls are independent expenditures, the various candidates are unaware of the calls. Similar legislation was introduced in the previous legislative session but the bill did not make it through the legislative process.